

Subject School Building Lease Levy

Authors Lislegard

Analyst Tim Strom

Date March 28, 2019

Overview

School districts may levy to pay rent on leased facilities. A school district may use the lease levy for space used primarily for instructional purposes. A school district's lease levy must not exceed the lesser of the lease costs or \$212 per pupil unit, except that a school district that is a member of an intermediate school district may levy an additional \$65 per pupil unit for space in intermediate facilities. Under current law, the lease levy raises about \$80 million each year.

H.F. 845 authorizes a higher lease levy amount for school districts that both qualify for sparsity revenue and have more than one high school. There are four school districts that meet this criteria. H.F. 845 increases the maximum lease levy from \$212 per pupil to \$650 per pupil.

Summary

Section	Description
1	To lease building or land. Increases the maximum lease levy for a sparsity-eligible school district with more than one high school from \$212 per pupil unit to \$650 per pupil unit.